



Attorney General  
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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20541

William F. Caton  
Federal-State Joint Board  
Office of the Secretary  
1919 M Street N.W.  
Washington, DC 20554

Re: Request for an Extension of  
Time to File State Cost Proxy  
Models. FCC Docket Nos. 96-  
45 and 97-160.

Dear Mr. Caton:

This letter is being submitted on behalf of the Public Utilities Commission of Ohio (Ohio Commission). The Ohio Commission endorses the filing made on February 24, 1998 by the National Association of Regulatory Commissioners' (NARUC) requesting an extension of time for State Commissions to file their respective proposed proxy cost models and inputs for Federal universal service support. Specifically, the Ohio Commission endorses NARUC's request that states be afforded a 90-day period after the Federal Communications Commission (FCC) adopts its final proposed cost model and final inputs for State commissions to file with the FCC their respective proposed cost models. This letter is also intended to act as the Ohio Commission's specific request for a 90-day extension in which to submit its proposed cost model and inputs to the FCC.

In its May 8, 1997, Report and Order (Order) in CC Docket No. 96-45 (96-45), the FCC determined that State commissions could propose for FCC approval, consistent with ten criteria identified by the FCC in its 96-45 Order, individual state specific (and/or company-specific) cost models to be utilized for federal universal service high cost funding. State commissions that did elect to develop their own cost models will still utilize the FCC's yet-to-be-finalized model. State Commission's reserving the option to develop their own models were to inform the FCC of their intent by August 15, 1997. On August 14, 1997, the Ohio Commission provided the FCC with a letter indicating that it reserved the option to develop its own economic cost models

for services supported by the Federal high cost fund. On December 3, 1997, the FCC extended the deadline to April 24, 1998, for the states to file with the FCC their respective proposed cost proxy models for Federal high cost assistance.

In its request to extend the filing deadline to 90-days after the FCC adopts its finalized model and inputs, NARUC maintains that States should be given adequate time to produce thoroughly developed cost studies and adequate time to review the FCC's model. NARUC maintains that, among other things, because of the delayed release of the FCC's selected model, and the delayed release of the FCC's input data, combined with the States' need for additional time to complete intrastate proceedings, the FCC should grant a request for an extension of time to file completed State cost studies from April 24, 1998, to 90 days after the FCC releases its final data inputs for its chosen model. In particular, NARUC contends that since it is not clear when the FCC will be able to take action and release its proposed inputs and platform, it is difficult to identify a specific date to allow States to file their respective proposed models with the FCC. Consequently, NARUC recommends that an extension of 90 days past the date of the FCC's release of this information is the minimum needed for States to take effective action.

From the perspective of Ohio, the FCC should be aware that on December 12, 1997, Ameritech Ohio (Ameritech) docketed an application (Case No. 97-1657-TP-UNC) with the Ohio Commission requesting approval of a forward-looking economic cost study for use in determining universal service support. Prior to determining whether Ameritech's proposed model should be adopted, and consequently recommended to the FCC for approval, the Ohio Commission intends to request comments on the Ameritech cost study. In addition to requesting comments on Ameritech's proposed model, the Ohio Commission intends to invite comment on FCC's model and any recommended derivations of the FCC's model, that are consistent with the FCC's ten criteria for determining state-specific studies. Finally, commenters will be invited to identify and compare the strengths and weaknesses of each proposed model.

Taking into consideration the time frames involved with this process, the Ohio Commission submits that it would be extremely difficult if not impossible to thoroughly investigate universal service cost model issues through the described comment and reply comment process, unless the FCC grants NARUC's and the Ohio Commission's request for a 90-day extension of time. In further support of its position, the Ohio Commission notes that since its decision in this matter will be subject to a rehearing process before the Ohio Commission, which permits interested persons a 30-day time frame to

file requests for rehearing on issues surrounding the choice of a final cost model and inputs, a request for a 90-day extension of time is neither unreasonable nor extreme.

Moreover, the Ohio Commission maintains that the 90-day extension date should be beyond, or in addition to, any reconsideration process before the FCC. That is, the 90-day period should not commence until after the FCC has issued any Order on Reconsideration regarding high cost proxy models. The Ohio Commission notes that this recommendation is reasonable since there is a real possibility that substantial revisions to the FCC model could occur as a result of the reconsideration process.

In conclusion, for the reasons identified above, the Ohio Commission endorses NARUC's request of the FCC to afford States a 90-day period, after the FCC issues its final proxy model decision, to file their respective proposed proxy models. In addition, the Ohio Commission respectfully requests that this letter also be considered as the Ohio Commission's individual request for a 90-day extension of time to propose a state-specific cost model and inputs to the FCC. Finally, the Ohio Commission wishes to thank the FCC for its consideration on this matter.

Respectfully submitted,

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